



OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

# HIGHLIGHTS

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February 4, 2013

## Fiscal Year 2012 Financial Testing Compliance Oversight Continuous Detached Mail Unit Reviews

Report Number FT-MA-13-007

### **BACKGROUND:**

The Postal Accountability and Enhancement Act of 2006 required the U.S. Postal Service to comply with Section 404 of the Sarbanes-Oxley Act, and report on the effectiveness of the agency's key internal controls over financial reporting. The Postal Service established the Financial Testing Compliance group to test these key financial controls at postal units.

This report addresses key financial control testing related to mail verification and acceptance at detached mail units operating in a continuous environment. Detached mail units are Postal Service work areas or offices located in a business mailer's facility. In a continuous detached mail unit environment, the final postage statements are presented after mail acceptance and verification.

The overall objective of our review was to evaluate whether the Financial Test Compliance group properly tested, documented, and reported their examination of key SOX financial reporting controls related to mail verification and acceptance at continuous detached mail units. We conducted this review in support of the independent public accounting firm's reliance on management's testing and

overall audit opinions on the Postal Service's financial statements and internal controls over financial reporting.

### **WHAT THE OIG FOUND:**

We observed the Financial Testing Compliance group conducting tests at 18 of 153 sampled sites. We determined that Financial Testing Compliance analysts properly tested, documented, and reported their examination of key Sarbanes-Oxley Act reporting controls related to mail verification and acceptance at all 18 sites we observed.

### **WHAT THE OIG RECOMMENDED:**

We did not identify any exceptions; therefore, this report does not contain recommendations.

We communicated the results of our observations to the independent public accounting firm and Postal Service management throughout the year. The firm used the information to support its opinions on the fiscal year 2012 Postal Service financial statements and controls over continuous detached mail unit reporting.

Because we made no recommendations, management chose not to respond formally to this report.